



# Tax update!

## New excise tax on sugary sweetened beverages

KPMG. Make the Difference.

Dear All,

Qatar's Excise Tax Law (Law No. (25) of 2018) has been amended by Law No. (2) of 2026, which was published in Official Gazette No. 6 on 7 April 2026. The amendment will take effect three months from the date of publication and introduces important changes that may affect your business, if it is in production, importation, storage of excisable goods.

### Below are some of the new updates:

- Updated scope of excise tax: *The amendment revises the categories of excisable goods and clarifies that certain products (including sweetened beverages) are now taxed based on detailed product lists and criteria to be set by the General Tax Authority (the GTA). The relevant list of products is expected to be published officially along with HS codes.*
- Updated wording for the value of goods: *Excise tax is calculated either on the higher of the declared retail price or a standard price list for certain goods, and, for sweetened beverages, by reference to their total sugar and sweetener content.*
- Transitional provisions: *Businesses holding excisable goods for commercial purposes on the effective date must submit a verified statement within ninety days for the balance of such goods from the preceding date of the official go-live of this new changes. Any excise tax calculated must be paid (by the taxpayer) or a refunded (by the GTA) within no more than thirty days from the date of submitting the mentioned statement.*
- Criminal proceedings and limitation periods: *The amendment clarifies that criminal cases for excise tax evasion require a request from the GTA's President, may intersect with customs smuggling rules, and are subject to a five-year limitation period, which can be interrupted by certain actions.*

### Tables of updated Schedule 1 and newly introduced Schedule 2

#### Schedule 1

Type of goods	Excise tax rate
Tobacco and its derivatives	100%
Energy drinks	100%
Goods of a special nature	100%

#### Schedule 2

Type of goods	Sugar and sweetener content	Excise tax rate
Sugary Sweetened Beverages	Low sugar (less than 5 grams / 100 ml)	Zero tax
	Medium sugar (5-7.99 grams / 100 ml)	0.77 Qatari Riyals / Liter
	High sugar (greater than or equal to 8 grams / 100 ml)	1.06 Qatari Riyals / Liter
	Contains only artificial sweeteners and no added sugar	Zero tax

## What should impacted businesses do now?

Impacted businesses should start reviewing products base and pricing to align with the updated scope, calculation rules as well as assessing stock analysis for the transitional requirements. Businesses should also ensure systems and processes can capture the necessary data (such as sugar content and retail prices) and closely monitor further guidance from the GTA and relevant authorities. Some initial actions are:

- Map your product base against the revised excise scope and sugar-based bands.
- Review pricing and valuation policies in light of the new calculation and minimum value rules.
- Assess current/future stock levels and plan for the verified statement and related cash-flow impact.
- Ensure systems can capture required data (e.g. retail prices, sugar content, product SKU codes).
- Update internal procedures and train relevant teams (tax, finance, supply chain, sales).
- Monitor further guidance from the GTA and relevant Authorities.

## How can we help?

Our Qatari based indirect tax and IT consultants can support your business in understanding and implementing the changes introduced by Law No. (2) of 2026 across both the functional excise tax and systems dimensions. From a tax and regulatory perspective, we can analyse how the updated excise scope, calculation methodology and minimum value rules apply to your product base, assess the impact on pricing and margins, and interpret relevant guidance and decisions to be issued by the GTA in the context of your operating model.

We can also assist with planning and documenting your transitional inventory position, preparing supporting documentation for audits or queries, and reviewing the implications of the new rules for your commercial arrangements (including contracts, promotional structures and supply chain flows).

On the systems and operational side, we can assist your business in reviewing ERP, Billing, POS and excise tax reporting landscape to ensure relevant processes can accurately capture data such as sugar content, retail prices and product classifications, configure excise tax calculation in line with the new rules, and produce the reports required for filing and internal controls. We can further support you in designing or updating internal processes and control frameworks (for example around pricing governance, stock controls and data quality), and in training your tax, finance and operational teams on the new requirements.

If you have any questions or would like to discuss this further, please contact us.

Best regards,



**Barbara Henzen**  
Partner, Head of Tax  
KPMG in Qatar  
E: [bhenzen@kpmg.com](mailto:bhenzen@kpmg.com)  
T: [+974 44576444](tel:+97444576444)



**Haythem Zayed**  
Partner, Tax Services  
KPMG in Qatar  
E: [haythemz@kpmg.com](mailto:haythemz@kpmg.com)  
T: [+974 44576444](tel:+97444576444)

kpmg.com/qa



[Privacy](#) | [Legal](#)

INTERNAL USE ONLY

© 2026 KPMG Qatar Branch is registered with the Ministry of Commerce and Industry, State of Qatar and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

© 2026 KPMG LLC, a limited liability company registered with Qatar Financial Centre Authority (QFCA), State of Qatar and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are registered trademarks of KPMG International.